

December 11, 2018

The Honorable Lee Chatfield, Chair, and Members of the **House Committee on Government Operation**.

SB 1197 (Casperson) – Mackinac Bridge Authority; allow operation of a utility tunnel.
Senate-passed **SB 1197 (S-2)** – Creation of the Mackinac Straits Corridor Authority;
authorize construction and maintenance of a utility tunnel under the Straits.

I respectfully urge the Committee to not support or report **SB 1197** to the Floor.

The Mackinac Bridge Authority was created in 1952 with the expressed purpose to build the Mackinac Bridge and to operate and maintain that structure, which it has ably done in the intervening years. The Senate-passed **SB 1197 (S-2)** at least would create a new straits corridor authority to construct and maintain a proposed utility tunnel instead of giving that task, inappropriately, to the Mackinac Bridge Authority. But even creation of the new authority does not disguise the fact the agreement intended to be implemented by this bill primarily benefits not the citizens of Michigan but a private foreign company and its profits.

Two issues I raised in the House have been addressed in (S-2), which affirmatively states that the corridor authority would not have the power of eminent domain and which eliminated language that could have been interpreted to have allowed payment of any tax imposed on tunnel operations from Mackinac Bridge revenue.

Regrettably, the Senate Substitute still involves, however temporarily, the Mackinac Bridge Authority and intertwines the new corridor authority with the Bridge statute.

Another objection to passage of **SB 1197** is that it permits the continued operation of Enbridge's Pipe Line 5 under the Straits of Mackinac for several more years, despite the risk that an aging pipeline poses to the Great Lakes fresh water resource and adjoining shorelands. Before **SB 1197** should be enacted, since this is supposedly a package deal with long-term commitments by the State, the House Committee on Government Operations – presumably consisting of prudent managers of the state's resources – should first ask and receive bona fide answers to the following:

- Enbridge has committed to shutting off the pipeline if a certain wave height occurs. How often has that happened? How does that compare to occasions where the Mackinac Bridge Authority has required escorts for high profile vehicles or had to close the bridge entirely because of high winds or storms?

- Has or will Enbridge commit to shut down the pipeline when the ice coverage in the Straits (sometimes for several weeks – in 3 of the last 5 years) would make any containment or clean-up of a leak unlikely or even impossible? If not, how is Enbridge prepared to contain a leak that occurs when the Straits are ice-covered for several weeks? If equipment is not on site, how will it get to the Straits if Lakes Huron especially (tends to freeze quicker) and Michigan are ice-covered? →

- If there were a leak from Pipe Line 5 during the time a corridor tunnel is under construction and when ice does not cover or clog the Straits, what ability does Enbridge and/or the Coast Guard have to contain the damage? Where is the equipment either would use to contain and clean up the spill?

- What containment exercises has Enbridge conducted? Under what conditions? I can recall hearing about only one such exercise and the conditions were favorable, not adverse.

- Has Enbridge ever conducted a containment exercise in November? If not, why not (since a bevy of the worse storms historically have occurred in that month, not always forecast) – leading to sinkings of many ships, like the SS Carl Bradley off Beaver Island en route to Mackinac in 1958, the SS Daniel J. Morrell in Lake Huron in 1966, and the SS Edmund Fitzgerald just north of the Soo in 1975? Too hazardous?

- Is the Committee convinced that Enbridge's own scenarios for adverse conditions are realistic? And that Enbridge's estimates of cost to contain and clean up a leak are credible?

- Perhaps more to the point, on economic terms, how much of the content carried by the pipeline – both as to product and revenue – stays in Michigan, compared to what is transported to and benefits Canada?

There has been some information that Enbridge would commit to a billion-dollar bond in the event of a leak to cover any damages that may occur to people or property. What are the terms of that bond and does it offer the assurance Enbridge claims? I recall testimony in the House that questioned how Enbridge was backing up that purported bond.

Is this an instance where containment and clean-up action after the fact of a leak is not good enough and no measure of reimbursement is adequate, and therefore the preferred policy is prevention? A miscalculation on the ability to control a leak could forever alter the ecosystem of the greatest source of clean water in this country.

For the reasons set forth above, I oppose SB 1197 and respectfully urge the Committee to let SB 1197 die in Committee.

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